PACIFIC BELL
A Pacific Telesis Company

June 10, 1997

Ms. Sonya Ayers
Vartec National
3200 W. Pleasant Run Rd.
Lancaster, TX 75146

Dear Ms. Ayers:

Pacific Bell hereby certifies that it has met the requirements established by the Federal Communications Commission to receive compensation from carriers. These requirements are set forth in the Report and Order (September 20, 1996), the Order on Reconsideration (November 8, 1996), and subsequent orders (April 4, 1997 and April 15, 1997, collectively the "Payphone Orders). Specifically, Pacific Bell certifies the following:

1) Pacific Bell has an effective cost accounting manual ("CAM") filing treating payphones as a nonregulated service.

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7) Pacific Bell has in effect interstate tariffs for unbundled functionalities associated with those lines.

8) Pacific Bell has an approved Comparably Efficient Interconnection (CEI) Plan for basic payphone services and unbundled functionalities.

9) Pacific Bell's intrastate payphone service provider tariffs meet the "new services test" as described in 47 C.F.R. Section 61.49(g)(2). Pacific submitted data to the California Public Utilities Commission by letter dated April 15 and reconfirmed this information by letter dated May 19.

Accordingly, Pacific Bell is in full compliance with the requirements set forth in the Payphone Orders. It is, therefore, eligible to receive compensation from carriers as of April 15, 1997. In accordance with the Payphone Orders, carriers are required to pay flat rate compensation until October 7, 1997, and per call compensation thereafter. Pacific Bell's compliance with the above requirements is further detailed in the attachment to this letter, together with copies of the relevant orders.

Sincerely,

Laura Murdock

Laura Murdock
Vice President & General Manager
Pacific Bell - Public Communications

cc: Regina Keeney
Chief of Common Carrier Bureau
Federal Communications Commission
1919 M Street N/W Suite 500
Washington D.C. 20554

Jack Leutza
Chief, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3202
San Francisco CA 94102

S. Robert Weissman
Project Manager, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3211
San Francisco, CA 94102

Public Communications
33 Beta Court, Room 243
San Ramon, California 94583

PACIFIC BELL
A Pacific Telesis Company

June 10, 1997

Mr. Esther Rosenthal
Communication Telesystem International
4350 La Jolla Village Dr
Suite 100
San Diego, CA 92122

Dear Mr. Rosenthal:

Pacific Bell hereby certifies that it has met the requirements established by the Federal Communications Commission to receive compensation from carriers. These requirements are set forth in the Report and Order (September 20, 1996), the Order on Reconsideration (November 8, 1996), and subsequent orders (April 4, 1997 and April 15, 1997, collectively the "Payphone Orders). Specifically, Pacific Bell certifies the following:

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San Francisco, CA 94102

Public Communications
39 Beta Court, Room 243
San Ramon, California 94583

PACIFIC BELL
A Pacific Telesis Company

June 10, 1997

Ms. Meredith Gifford
GE Capital Communication Services Corp.
6540 Powers Ferry Rd.
Atlanta, GA 30339

Dear Ms. Gifford:

Pacific Bell hereby certifies that it has met the requirements established by the Federal Communications Commission to receive compensation from carriers. These requirements are set forth in the Report and Order (September 20, 1996), the Order on Reconsideration (November 8, 1996), and subsequent orders (April 4, 1997 and April 15, 1997, collectively the "Payphone Orders). Specifically, Pacific Bell certifies the following:

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Pacific Bell - Public Communications

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Chief, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3202
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S. Robert Weissman
Project Manager, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3211
San Francisco, CA 94102

PACIFIC BELL
A Pacific Telesis Company

June 10, 1997

Mr. Doug Brent
Director, Regulatory Affairs
WorldCom (MFS Intelenet, Inc.)
9300 Shelbyville Rd.
Suite 700
Louieville, KY 40222

Dear Mr. Brent:

Pacific Bell hereby certifies that it has met the requirements established by the Federal Communications Commission to receive compensation from carriers. These requirements are set forth in the Report and Order (September 20, 1996), the Order on Reconsideration (November 8, 1996), and subsequent orders (April 4, 1997 and April 15, 1997, collectively the "Payphone Orders). Specifically, Pacific Bell certifies the following:

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Pacific Bell - Public Communications

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Chief of Common Carrier Bureau
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Chief, Telecommunications Branch
California Public Utilities Commission
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S. Robert Weissman
Project Manager, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3211
San Francisco, CA 94102

Public Communications
39 Beta Court, Room 143
San Ramon, California 94583

PACIFIC BELL
A Pacific Telesis Company

June 10, 1997

Ms. Emily Thatcher
General Communications, Inc.
2550 Denali St.
Suite 1000
Anchorage, AK 99503

Dear Ms. Thatcher:

Pacific Bell hereby certifies that it has met the requirements established by the Federal Communications Commission to receive compensation from carriers. These requirements are set forth in the Report and Order (September 20, 1996), the Order on Reconsideration (November 8, 1996), and subsequent orders (April 4, 1997 and April 15, 1997, collectively the "Payphone Orders). Specifically, Pacific Bell certifies the following:

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Laura Murdock

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Vice President & General Manager
Pacific Bell - Public Communications

cc: Regina Keeney
Chief of Common Carrier Bureau
Federal Communications Commission
1919 M Street N/W Suite 500
Washington D.C. 20554

Jack Leutza
Chief, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3202
San Francisco CA 94102

S. Robert Weissman
Project Manager, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3211
San Francisco, CA 94102

PACIFIC BELL
A Pacific Telesis Company

June 10, 1997

Mr. Kenneth F. Melley Jr.
Legal Department
Business Telcom Inc
9311 San Pedro
Suite 100
San Antonio, TX 78216

Dear Mr. Melley:

Pacific Bell hereby certifies that it has met the requirements established by the Federal Communications Commission to receive compensation from carriers. These requirements are set forth in the Report and Order (September 20, 1996), the Order on Reconsideration (November 8, 1996), and subsequent orders (April 4, 1997 and April 15, 1997, collectively the "Payphone Orders). Specifically, Pacific Bell certifies the following:

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S. Robert Weissman
Project Manager, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3211
San Francisco, CA 94102

PACIFIC BELL
A Pacific Telesis Company

June 10, 1997

Mr. Marvin L. Mason
Chief Financial Officer
Oncor Communications, Inc.
3530 Forest Lane, Ste. 195
Dallas, TX 75234-7910

Dear Mr. Mason:

Pacific Bell hereby certifies that it has met the requirements established by the Federal Communications Commission to receive compensation from carriers. These requirements are set forth in the Report and Order (September 20, 1996), the Order on Reconsideration (November 8, 1996), and subsequent orders (April 4, 1997 and April 15, 1997, collectively the "Payphone Orders). Specifically, Pacific Bell certifies the following:

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Chief of Common Carrier Bureau
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1919 M Street N/W Suite 500
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Chief, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3202
San Francisco CA 94102

S. Robert Weissman
Project Manager, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3211
San Francisco, CA 94102

PACIFIC BELL
A Pacific Telesis Company

June 10, 1997

Mr. Jeffrey Bockel
The Furst Group
459 Oakshade Rd.
Shamong, NJ 08088

Dear Mr. Bockel:

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Public Communications
39 Beta Court, Room 243
San Ramon, California 94583

PACIFIC BELL
A Pacific Telesis Company

June 10, 1997

Ms. Amy S. Gross
American Network
100 West Lucerne Circle
Suite 100
Orlando, FL 32801

Dear Ms. Gross:

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Project Manager, Telecommunications Branch
California Public Utilities Commission
505 Van Ness Avenue, Rm. 3211
San Francisco, CA 94102

Attachment

	REQUIREMENT	FILED	EFFECTIVE/IMPLEMENTED	REFERENCE
1.	Approved Cost Allocation Manual (CAM)	December 31, 1996	April 15, 1997	DA 97-814*
2.	Interstate tariff reflecting reduction of CCL for deregulated payphone costs and additional SLC revenue	January 15, 1997	April 15, 1997	Transmittal 1905*
3.	Tariffs that reflect removal of intrastate subsidies	Yes	Yes	No subsidies exist (see A.L. 18641)*
4.	Reclassification of payphone CPE and related costs	December 31, 1996	April 15, 1997	DA 97-814 (CAM filing)
5.	Intrastate tariffs for basic payphone services	January 15, 1997	April 1, 1997 (per CPUC General Order 96-A)	Advice Letter 18640*
6.	Intrastate tariffs for unbundled functionalities	Yes	Yes	Offered in existing tariffs*
7.	Interstate tariffs for unbundled functionalities	May 16, 1997	May 31, 1997	Transmittal 1920*
8.	Approved CEI Plan	December 26, 1996	April 15, 1997	DA 97-794*
9.	Intrastate tariffs meet new services test	Yes	Yes	Letters to CPUC April 15, 1997* and May 19, 1997*
				Documents Attached

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Cost Allocation Manual Changes	)	
Required by Payphone Deregulation	)	
	)	

ORDER

Adopted: April 15, 1997 Released: April 15, 1997

By the Chief, Accounting and Audits Division:

1. On September 20, 1996, the Commission issued a Report and Order[1] implementing the pay telephone reclassification and compensations provisions of the Communications Act of 1934,[2] as amended by the Telecommunications Act of 1996.[3] The *Payphone Order* required that incumbent local exchange carriers (ILECs) reclassify their payphone assets and related expenses to nonregulated status on April 15, 1997.[4] Accordingly, the *Payphone Order* directed that "payphone investment and any other assets used in the provision of payphone service, along with the associated accumulated depreciation and deferred income tax liabilities should be directly assigned or allocated to nonregulated activities pursuant to our cost allocation rules."[5] To ensure that this requirement is met, the *Payphone Order* required that ILECs "establish whatever Part 64 cost pools are needed" and "file revisions to their cost allocation manuals (CAMs) within sixty (60) days prior to the effective date of the change"[6] and no later than February 14, 1997.[7]

[1] Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, CC Docket No. 96-128, FCC 96-388 (rel. Sept. 20, 1996) ((*Payphone Order*); *Order on Reconsideration*, FCC 96-439 (rel. Nov. 8, 1996).

[2] 47 U.S.C. §§ 276(b)(1)(A)-(E) and 276(b)(2).

[3] Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996).

[4] *Payphone Order* at para. 368.

[5] *Payphone Order* at para. 163. *See* 47 C.F.R. § 64.901-903.

[6] *Payphone Order* at para. 163. Our rules require that changes to the CAM's cost apportionment table and time reporting procedures must be filed at least 60 days before the carrier plans to implement the changes. 47 C.F.R. § 64.903(b).

2. We observe that the CAMs in effect for the following companies satisfy the requirements of the *Payphone Order:* Aliant Communications; Alltel Telephone Systems; Ameritech Operating Companies; Bell Atlantic Telephone Companies; BellSouth Telecommunications, Inc.; Cincinnati Bell Telephone Company; Citizens Telecommunications Company of New York; GTE Telephone Operating Companies; Nevada Bell; NYNEX Telephone Companies; Pacific Bell; Puerto Rico Telephone Company; Rochester Telephone Corp.; Southern New England Telephone Company; Southwestern Bell Telephone Company; United and Central Telephone Companies; and U.S.West, Inc.

3. Although the CAMs for the companies listed above are effective for purposes of the *Payphone Order*, certain changes in the cost allocation treatment of payphone assets and investment may be necessary to ensure uniformity among carriers and to address other concerns raised by commenters. We will address these issues in a subsequent order.

FEDERAL COMMUNICATIONS COMMISSION

Kenneth P. Moran

Kenneth P. Moran
Chief, Accounting and Audits Division

---

[7] *Payphone Order* at para. 369.

Al Swan
[illegible]
[illegible]

[illegible]
San Francisco, California [illegible]
415 542 [illegible]

PACIFIC BELL
A Pacific Telesis Company

January 15, 1997

Transmittal No. 1905

Secretary
Federal Communications Commission
Washington, DC 20554

Attention: Common Carrier Bureau

The accompanying tariff material, issued by Pacific Bell, bearing Tariff F.C.C. No. 128, effective April 15, 1997, is sent to you for filing in compliance with the Communications Act of 1934, as amended. This filing consists of tariff pages as indicated on the following check sheet:

Tariff F.C.C. No. 128 710th Revised Page 1

This filing is being made in compliance with FCC Order 96-388 released September 20, 1996, and modified by FCC Order 96-439 released November 8, 1996, In the Matter of Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, CC Docket No. 96-128. These Orders require an exogenous cost change to reflect removal of payphone cost from the Price Cap Indices, tariff revisions which reflect the ordered application of the multiline end user common line charge to all payphone lines, as well as other minor revisions which remove Pacific Bell Payphone services from the tariff.

Supporting information discussed under Section 61.49 of the Commission's Rules is included in the attached Description and Justification.

In accordance with Section 61.32 (b), the original Transmittal letter, the Federal Communications Commission's Form 159 and the filing fee have been submitted to a courier service for delivery to the Treasury Department lockbox located at the Mellon Bank in Pittsburgh, Pennsylvania.

Acknowledgment and date of receipt of this filing are requested. A duplicate letter of transmittal is attached for this purpose.

All written correspondence in connection with this filing should be addressed to me at the above address. All other inquiries may be directed to J. L. Bennett on (202) 383-6429.

(PAB)

Enclosures
- Duplicate transmittal letter
- Tariff pages
- Description and Justification

Copy of letter and tariff pages, concurrently delivered to:
- Chief, Tariff Review Branch (Public Reference Copy)
- International Transcription Service, Inc. (ITS)

Al Swan
Executive Director
Regulatory

140 New Montgomery Street, Room 1822
San Francisco, California 94105
(415) 542-0373

PACIFIC BELL
A Pacific Telesis Company

January 15, 1997

U 1001 C
Advice Letter No. 18641

Public Utilities Commission of the State of California

This filing reflects changes in the attached tariff schedule sheets. This material consists of tariff schedule sheets as indicated below:

SCHEDULE CAL.P.U.C. NO. A.

83rd Revised Check Sheet A

SCHEDULE CAL.P.U.C. NO. A2.

334th Revised Check Sheet A
155th " " " C

SCHEDULE CAL.P.U.C. NO. A3.

117th Revised Check Sheet A

SCHEDULE CAL.P.U.C. NO. A5.

713th Revised Check Sheet A
61st " " " A.1
107th " " " B
145th " " " D

SCHEDULE CAL.P.U.C. NO. A6.

166th Revised Check Sheet A
1st " " " A.1

SCHEDULE CAL.P.U.C. NO. A16.

5th Revised Check Sheet A

SCHEDULE CAL.P.U.C. NO. 175-T

308th Revised Sheet 1
72nd " " 1-B
50th " " 1-C
57th " " 1-C-1

This filing revises Schedule Cal.P.U.C. Nos. A. General Table of Contents, A2. General Regulations, A3. Dual Element Charges, A5. Exchange Services, A6. Message Telecommunications Service, A16. Sale of In Place Telephone Equipment and 175-T Access Service, to remove Public and Semi-Public Telephone Service and all references to these services.

As a result of FCC CC Docket No. 96-128, Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, public and semi-public telephone equipment and assets are to be deregulated. Accordingly, these services will receive below-the-line-accounting treatment no later than April 15, 1997.[1]

In compliance with Section III. G. of General Order No. 96-A, we are mailing a copy of this advice letter and related tariff sheets to competing and adjacent Utilities and/or other Utilities, and interested parties, as requested.

This filing will not increase any rate or charge, cause the withdrawal of service, nor conflict with other schedules or rules. Anyone may protest this advice letter to the California Public Utilities Commission. The protest must set forth the specific grounds on which it is based, including such items as financial and service impact. A protest must be made in writing and received within 20 days of the date this advice letter was filed with the Commission. The address for mailing or delivering a protest to the Commission is:

Chief, CACD Telecommunications Branch
505 Van Ness Avenue, Room 3203
San Francisco, CA 94102

A copy must be mailed to the undersigned utility on the same date it is mailed or delivered to the Commission.

We would like this filing to become effective April 1, 1997.

Yours truly,

PACIFIC BELL

Executive Director

Attachments

[1] Pacific proposes no adjustment to its regulated rates in conjunction with movement of these services below the line. The information available indicates that revenue exceeded costs during the period upon which the start-up revenue adjustment, adopted in Decision 89-12-048, was calculated.